

Organizational Resilience and its Importance for Business Sustainability

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ABSTRACT

Despite best efforts, some natural disasters may have lasting effects that are impossible to reverse. During the COVID-19 era, we have witnessed a variety of calamities it catapulted over the ever-evolving human interface, delivering great suffering and death to the farthest regions of our world. Borders have been closed and quarantines have been implemented. A virus has severely restricted people's freedom of movement and their ability to go about their everyday routines. The COVID-19 dilemma has affected every industry and organization in globe. This review study focuses on interrelated resilience qualities and indicators that aid with business sustainability by improving the effectiveness of business as usual (BAU), as well as the resilience and responsiveness of crisis response and recovery.

KEYWORDS: COVID-19, New Normal, Organizations, Qualities and Indicators, Business Sustainability

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INTRODUCTION

The triple bottom line, which contends that businesses should measure their environmental and social impact in addition to their financial performance, has been adopted by many modern businesses. People, planet, and profit, collectively known as "the three Ps," are these objectives. This environmentally friendly method of doing business frequently results in improved business performance. Initiatives focused on sustainability not only promote social and environmental change but also an organization's overall success. Spending more money on sustainable business practices may seem counterintuitive in order to increase a company's profitability, but studies have shown that the most profitable businesses are also the most sustainable.

In 2020, COVID-19 spread around the world and the world was totally unprepared for it. It has disrupted the normalcy of the world, impacting not only the social fabric of society but most importantly poses an unseen threat to humanity. More so, the global health crisis led to severe economic fallout last year that

resulted in the International Monetary Fund declaring a recession as bad as, or worse, than in 2009. Since then, numerous companies have faced unsaid difficulties. Against this backdrop, business leaders worldwide have been facing a tough time adapting to the new world order. For them, maintaining their company's viability and survival became essential. What they can do next and need to be looking at is one of the main worries that caused nervousness.

Literature Review:

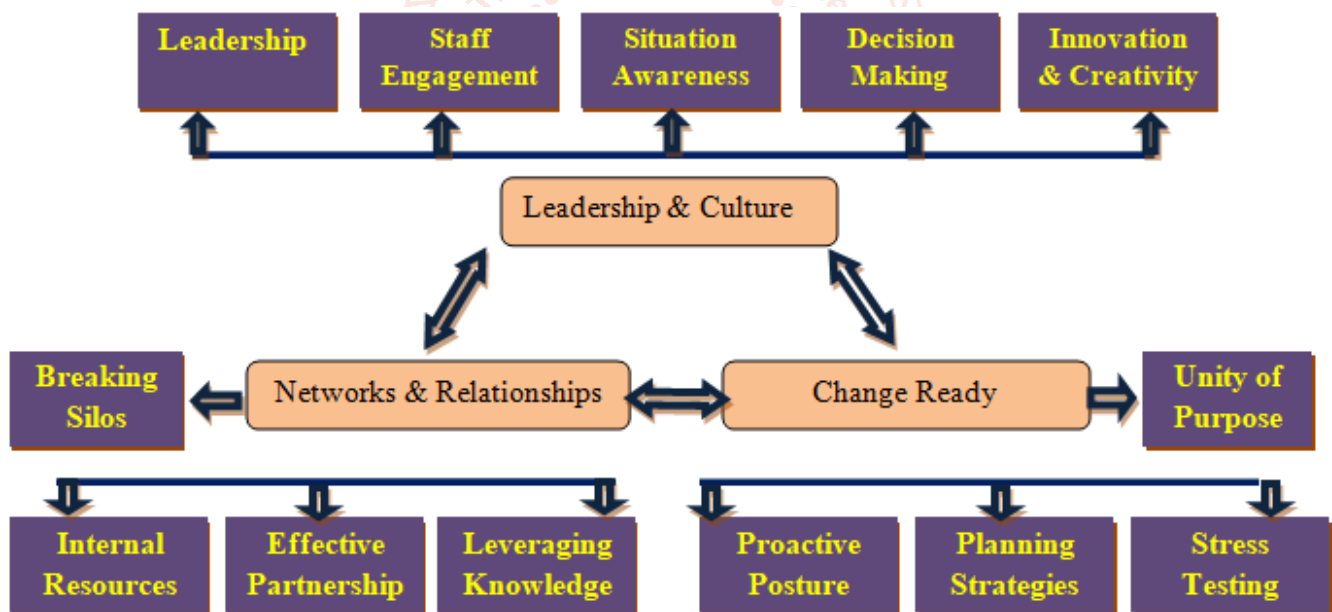
After assessing the research papers it was found that there is no direct relation amid organizational resilience and its sustainability in the field of higher education when the literature is searched, at least as far as is currently accessible, but still some research supports that. i.e. the study of Wals and Schwarzin (2012), Malik (2014), Brock, Baldwin (Melkonyan, Gottschalk, and VP (2017), Nawaz and Koc (2018), Bell (2002), Robb (2000), and also obanKumbal (2018), Horne III (1997), Dobie and Schneider (2017), Mallak (2018), and Wildavsky (1991) are all

have considered and supported. Although the idea of resilience has a long history in some academic fields (particularly psychology), it is relatively new to business and management research. Recently, the phrase "make your organization more resilient" has appeared to be popular in management practice. How to make organizations more resilient is suggested in practitioner journals or daily newspapers. Recently, the idea has picked up steam in top-tier management journals (e.g. Clement and Rivera 2017; Limnios et al. 2014; Williams et al. 2017). The concept has been criticized for being undefined and vague, which lessens its significance for practice and research even though it is thought to be promising. (e.g. Amann and Jaussaud 2012; Burnard and Bhamra 2011; Linnenluecke 2017). However, for a concept to be scientifically relevant, it must be clearly defined and quantifiable says (Bacharach 1989;

Podsakoff et al. 2016; Edwards and Bagozzi 2000). Despite an increase, empirical research on organizational resilience still lacks a reliable scale for measuring it (e.g., Aleksi et al. 2013, Mallak 1998a, and Pal et al. 2014. The review by Linnenluecke (2017) demonstrates that the research in this area is dispersed across a number of research streams (employee strengths, organizational reliability, responses to external threats, adaptability of business models, and design principles that lessen supply chain vulnerabilities). Each of these research strands has created its own resilience definitions, conceptualizations, and metrics. In order to paint a complete and coherent picture of the complex construct, this paper's focus is on resilience as an organizational construct and incorporates findings from various research streams.

What is organizational resilience?

Organizational resilience is the capacity to weather a crisis and prosper in an unsettling environment. A strategic ability is resilience. It involves more than just surviving crises. A truly resilient organization also possesses two other crucial traits: the ability to turn crises into sources of strategic opportunity and the foresight and situation awareness to foresee potential crises before they occur.



Source: <https://www.resorgs.org.nz/about-resorgs/what-is-organisational-resilience>

Resilient to what?

Each organization has its own 'perfect storm,' which is a confluence of events or circumstances that has the potential to bring that organization to its knees. A financial system's worst nightmare could be a sudden loss of customer confidence, resulting in a snowballing 'run on the bank.' For other organizations, it could be the failure of a key supplier, contamination on the production line, an unhappy employee causing destruction, and so on.

Organizations are part of a larger system:

While our research focuses on the resilience of organizations (businesses, government agencies,

institutions, etc), an organization sits within an ecological system, and resilience is required at all levels of this system.

No organization is an island.

The resilience of an organization is directly related to the resilience of the other organizations on which it depends (customers, suppliers, regulators, and even competitors). A company depends on and supports the resilience of both its employees as individuals and the communities in which they live. Similarly, an organization's resilience is directly related to the resilience of its sector, and the sector's resilience is intertwined with the resilience of the nation.

Objectives/ Research Questions:

1. What are the challenges for Business Sustainability in New Normal?
2. How the success of a business is dependent on resilience?
3. What are a few steps business leaders can take to make business resilient?

Research Methodology:

The research paper is based using secondary data, therefore qualitative in nature; only scholarly articles have been reviewed due to time constraints.

The challenges:

A number of businesses struggled to prevent employees from losing their jobs as the global economies took a sharp dive. Given the uncertain environment, it's been incredibly difficult for leaders to make wise choices, manage the organization's overall goal, and generate enough revenue. In actuality, the pandemic has not yet ended. It's very difficult to predict when it will end and how many more people will suffer. The security of each individual has become the biggest need of the hour. Now, in a post-second wave, people are shattered, and they are forced to live in fear till normalcy is achieved. Managing employees' productivity and keeping them motivated at an identical time is very important in this new work culture. Business leaders are increasingly concerned about their employees' physical and psychological states. It's become imperative to focus on how to keep everyone mentally and physically fit till the pandemic ends and moreover how to return to the normal phase. So, although the pandemic may seem impossible for many businesses, survival and sustainability aren't impossible. Therefore, in pursuit of true sustainability for better survival within the new normal era, what are some steps business leaders can take?

Dependability of Success and Resilience:

In the almost 20 years since the turn of the century, the global operating environment has changed in a rapid and dramatic fashion. Globalization, connectivity, rapid disruption, global economic swings, and even the rise of cause-based communities on social media all have picked up velocity – and created turmoil for the businesses seeking to operate with a degree of stability.

We are aware that change cannot be stopped or slowed down. The only real course of action for the majority of businesses is to exert control over what they can while preparing for the possibility that they will also need to manage circumstances beyond their control. To achieve this, the organization must put in the time and effort necessary to create a culture of business resilience. Turmoil and disaster, according to

history, are not a "if." They are realities of "when". Is your business poised to respond? Resilience comes from this combination of a plan, the ability to adapt it on the fly, and the ability to execute at speed when the risk materializes. The concept also encompasses the ability to recover when a crisis hit; to return to the military analogy, reverses will happen but does the organization know how to regroup and recover?

Three interrelated traits and 13 indicators make up organizational resilience. These improve the effectiveness of business as usual (BAU), as well as the robustness and agility of crisis response and recovery.

Leadership and culture:

Leadership:

Strong leadership is necessary for crisis management and decision-making, as well as ongoing evaluation of strategies and work programs against organizational goals. An example of organizational leadership is Southwest is known for its customer service. What is the best example of Southwest airlines? Airlines were compelled to suspend operations on September 11, 2001, for days as the rest of the country recovered from the terrorist attacks. Instead of following the trend, Southwest announced only three days after 9/11 that Southwest would keep all of its employees by starting the profit-sharing of \$179.8, million.

Staff engagement

Employees who grasp the link between their individual work, the organization's resilience, and its long-term performance are more engaged and involved. Staff members are given autonomy and are encouraged to use their expertise to solve challenges. Lets us take the example of Alphabet Inc a parent company of Google has no problem attracting top talent because the company has utilized unbeatable techniques to engage the workforce i.e Unique compensation and benefits, Staff empowerment, and autonomy: The company's famous 20% creative time, Most employees can enjoy fully remote or hybrid work.

Situation awareness

Employees are urged to closely monitor the business, its operations, and any potential issues. Employees are rewarded for providing both positive and negative information about the business, including any early warning signs that are reported to management right away.

Decision making

Decision-making power is delegated to the staff in a way that makes it possible to respond to crises. Highly qualified personnel are employed in, or

capable of making, decisions where their specific knowledge offers significant value or where their participation will improve implementation. Apple. After firing him ten years prior, the board decided to rehire Steve Jobs, which resulted in amazing product innovation and the founding of one of the most valuable companies in the world.

Innovation and creativity

Staff members are rewarded and encouraged for utilizing their knowledge in novel ways to address new and current challenges, as well as for producing solutions in inventive and creative methods. Samsung: Harnessing the Power of the Creative Elite. As one of the world's leading technology companies, Samsung is widely recognized as one of the most innovative conglomerates on earth and is a great open innovation example. In order to ensure that new projects are ready to adopt best practices and produce the highest Key Performance Indicator (KPIs,) their innovation management strategy entails assigning an experienced "creative elite" to take the lead on them.

Networks and relationships:

The following indications help identify the internal and external ties that have been established and developed for the organization to use when necessary:

Effective partnerships

An awareness of the relationships and resources that the organization may need from other organizations during a crisis, as well as the preparation and management necessary to ensure that access. Athletic brand Nike and technology giant Apple have been working together since the early 2000s when the first line of iPods was released. The co-branding partnership started as how to bring music from Apple to Nike customers' workouts using the power of technology: Nike+iPod created fitness trackers and sneakers and clothing that tracked activity while connecting people to their tunes. Tracking transmitters are often built into shoes, armbands, and even basketballs to measure time, distance, heart rate, and calories burned. It's a genius co-branding move that helps both parties provide a higher experience to customers and with the popularity of fitness tracking technology, Nike+ is ahead of the curve by making it easy for athletes to track while they play.

Leveraging knowledge

Staffs have access to expert opinions as needed, and important data is kept in a variety of formats and places. To ensure that important positions are always filled, roles are shared and personnel are trained. One well-known name in communication is WhatsApp. Millions of people use it all over the world, and it recently began branching out into online payments to further the interests of its users. WhatsApp did not,

however, start out as the company that it is now. When considering businesses that outsource, WhatsApp is a good example because it has done so since the beginning. WhatsApp had 30 full-time employees and five part-time employees as of the year 2012. Based in Mountain View, California, they recognized the importance of controlling costs if they wanted to expand. Russia provided the solution for WhatsApp, and they were able to source development resources there for a small portion of what they would have had to pay in the US.

Breaking silos

Reduction of dividing social, cultural, and behavioral obstacles, which most often appear as communication roadblocks and lead to ad hoc, unconnected, and detrimental work practices.

Internal resources

The coordination and management of an organization's resources to preserve both its ability to function normally and its ability to provide the extra capacity required in a crisis

Change ready:

The following signs indicate the planning that has been done and the direction that has been set to enable the organization to be change-ready:

Unity of purpose

An understanding of the organization's minimum operating requirements as well as an awareness among all employees of what the organization's priorities would be in the event of a crisis.

Proactive posture

A readiness on both a strategic and behavioral level to react to changing conditions of inside and outside the company before they become a catastrophe.

Planning strategies

The creation and assessment of goals and strategies is important to address weaknesses with respect to the corporate environment and its stakeholders.

Stress testing plans

The involvement of personnel in activities or situations intended to test out reaction strategies and validate plans

Conclusion:

This study has successfully reviewed several sustainable business strategies during the new post-COVID-19 normal era: Through the above topic, this study has explored some business strategies that are adaptable, which is currently still overshadowed by the difficulties caused by the Covid-19 impact crisis. Then the results of this review can be contributed by academics, especially students in economics and business programs. It hopes that with this input, the

parties can benefit both academics and business people who are now entered a new normal era filled with business uncertainty. As for the summary of this study, we can conclude that when the national economy and business atmosphere are in trouble due to the impact of Covid-19, then one way for their business to continue to survive and have high sustainability is by strengthening practical strategic input allowing it easy for them to understand and apply them in the business field.

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